

## CAROL J. LEWIS

375 Possum Pass • West Palm Beach, FL 33413

July 3, 1997

F. Andrew Turley  
Supervisory Attorney  
Central Enforcement Docket  
Federal Election Commission  
999 E Street, N.W.  
Washington, DC 20463

RE: MUR 4646

Dear Mr. Turley:

I am the original complainant in the above referenced matter. My affidavit is already in your possession. I am relying on your 6/3/97 telephone conversation with my husband Scott Lewis in which you stated that I would not be pursued with charges as a result of my voluntary disclosure. I do wish to continue to cooperate.

As a supplement to my original complaint, it may help to know that Mr. Boies and Ms. Habie are far closer than the normal attorney/client relationship would infer. We are involved in a legal dispute with them and in the course of discovery have learned that Mr. Boies received a huge unexplained discount in obtaining a 25% partnership interest in Ms. Habie's business. The enclosed Wall Street Journal article highlights some of the aspects of their partnership including information that Mr. Boies has provided as much as \$2 million in pro bono legal services to Ms. Habie, a self proclaimed multi-millionaire. In view of this, it is possible that he did not reimburse her directly for recruiting "straw donors."

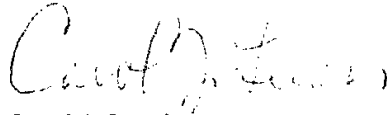
In addition to their business partnership, you should be aware that our attorney has just filed for sanctions against Ms. Habie for her failure to answer questions relative to two ex-felons employed by their business as supervisors. Given Mr. Patrick Bilton's past as partly displayed by the articles attached to the Motion for Sanctions (enclosed), I think you would take interest in his past payments to politicians.

I also have reason to believe that their use of straw donors has taken place over a number of years and continued through this year. It would be most helpful if you would send me the lists of \$1,000 donors to Rep. Harmon's and Sen. Kennedy's campaigns for 1993-97 along with the dates that checks were deposited so that I may confirm this suspicion.

JUL 7 3 11 PM '97  
FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C.

My husband and I have not designated an attorney at this point. We would like to continue to fully cooperate in an effort to cleanse our own name from this wrongdoing. We also wish to keep this matter confidential for the time being, although we would consider going public if it would help Senator Thompson (R. Tenn.) with his September Congressional hearings on campaign finance reform.

Sincerely yours,



Carol J. Lewis

enclosures:

5/22/97 WSJ article

Boies professional listing

Motion to Compel Testimony & Impose Sanctions

## LEGAL BEAT

Some at Cravath  
Don't Lament:  
Boies Departure

By PAUL M. BARKETT

Staff Reporter of THE WALL STREET JOURNAL  
When celebrated litigator David Boies resigned from Cravath, Swaine & Moore last week, most attention focused on his controversial representation of the New York Yankees.

But there was more to the story. While Mr. Boies received high public praise for his 31 years at Cravath, some Cravath partners privately said they had few regrets about his departure. These partners had grown impatient with what they saw as Mr. Boies's eccentric involvement in litigation ranging from an international child-custody case that he is handling pro bono to an unlikely antitrust suit against American Airlines, according to people familiar with the situation.

Over the years, Mr. Boies was involved in a string of high-profile cases — successfully defending CBS Inc. against a libel suit brought by Gen. William Westmoreland and representing the Federal Deposit Insurance Corp. in a suit against junk-bond king Michael Milken. (Mr. Milken paid \$1.1 billion in an out-of-court settlement.) But in recent years, some partners began to grumble that while Mr. Boies continued to receive glowing press coverage, the \$2-million-a-year lawyer hadn't been bringing in much of the big-bucks business litigation for which the New York firm is known.

The behind-the-scenes complaints are striking because they clash with Mr. Boies's public image as the leading exemplar of Cravath's pre-eminence in the legal industry. In fact, Mr. Boies has long been hard to categorize. A connoisseur of Bordeaux wine and fine food, he prefers his blue suits to be cheap and off-the-rack. And he is one of only a handful of people to quit a partnership at 380-lawyer Cravath. Yesterday, he was already heading for Philadelphia to consult with plaintiffs' lawyers there about a pending customer class-action suit against Archer-Daniels-Midland Co., stemming from price-fixing charges against the company.

Mr. Boies, who is 55 years old, stressed in an interview that while he wants to handle more unconventional cases and perhaps do some teaching, he will continue to assist Cravath in representing stalwart clients like Westinghouse Electric Corp. and DuPont Co. He pointed out that in the past three years, he has had to turn down potentially major cases in the media, pharmaceutical and computer industries because of the danger of conflicts with established Cravath clients.

The catalyst for his resignation was the firm's conclusion that the Yankees' antitrust lawsuit against the rest of the baseball establishment conflicted with the interests of longtime Cravath client Time Warner Inc., which owns the Atlanta Braves. A flattering memorandum issued by Samuel Butler, Cravath's presiding partner, said, "I and the entire firm



David Boies

Departure of Boies  
From Cravath Isn't  
Cause for Mourning

Continued From Page M1

are disappointed at David's decision but respect his reasons."

But the Yankees case reminded some Cravath partners, particularly corporate deal makers, of Boies cases they didn't much respect.

One was his filing of the antitrust suit against AMR Corp.'s American Airlines, the sort of behemoth Cravath ordinarily defends, on behalf of Continental Airlines. Mr. Boies lost the case in a rare courtroom defeat in 1993. Another source of irritation was that he had allied himself with Joe Jamail, the legendary Texas plaintiffs' lawyer, who represented coplaniff Northwest Airlines. "If we had thought about that in advance, we wouldn't have touched it," said a senior Cravath partner.

Mr. Boies responded that he understood that some of his colleagues "were uncomfortable" over the firm's being associated with Mr. Jamail and the plaintiff's side in a high-profile antitrust case. But he said his view was that "if a plaintiff has a good case, it's appropriate to take it on."

A Boies case that caused far more perplexity within Cravath was that of Amy Habie, a Boca Raton, Fla., businesswoman who has been locked in an international custody battle for her seven-year-old twins. Saying he was taking the twins to the Parrot Jungle theme park near Miami, Ms. Habie's ex-husband, Guatemalan textile baron Jose Habie, kidnapped the children in 1992, according to a Florida state court. He flew them on his personal jet to Guatemala City, where they live today.

Mr. Boies began helping with Ms. Habie's custody case in 1992 at the request of her divorce lawyer, James Fox Miller, a law-school chum and close friend. This was no ordinary custody fight. Mr. Habie and businesses he controls filed a dozen lawsuits against Ms. Habie in federal and state courts. Mr. Miller's four-person law firm couldn't handle the strain, prompting Mr. Boies to step up Cravath's involvement, including support from associates, paralegals and secretaries.

Some of Mr. Boies's partners were surprised to find the firm enmeshed in a sensational custody case, and even more surprised when it turned out he agreed to do it for no fee. "We represent plenty of people pro bono — in discrimination cases and death-penalty cases, for example — but wives of Guatemalan tycoons are not exactly what we have in mind," said Mr. Butler.

Some Cravath partners were alarmed at the hundreds of hours of lawyer time and considerable overhead expended on the Habie affair. Mr. Boies estimated the costs so far at about \$1 million, but a partner familiar with Cravath's central billing records said the amount exceeded \$2 million.

Mr. Boies, who ordinarily bills clients \$550 an hour, explained that he isn't charging Ms. Habie because she has been financially sopped by her legal expenses. "The legal system was being used to abuse this woman, and I had an obligation to protect a client," he said, adding that some of his partners resent the amount of time he

spends on pro bono matters in general. Mr. Boies so far has defeated most of the suits against Ms. Habie and has won hundreds of millions of dollars in fines and damages against Mr. Habie — as yet unpaid.

About two weeks before Mr. Boies's resignation, Mr. Butler received an anonymous fax of excerpts of a deposition in a separate lawsuit in which Mr. Boies is also representing Ms. Habie pro bono. In that deposition, Ms. Habie testified that Mr. Boies invested \$100,000 in her Palm Beach landscaping firm, which is at the center of the suit. In exchange, she transferred a 25% interest in the firm to a trust benefiting Mr. Boies's six children.

The news was startling for two reasons. Mr. Butler said that Mr. Boies failed to circulate a required "new business" memo upon accepting the Habie landscaping case, which only came to the presiding partner's attention because of the mysterious fax. Mr. Boies also didn't get the required permission from Mr. Butler to represent a company in which he had a significant ownership stake. "It's an example of David marching to his own drummer," said Mr. Butler.

Mr. Boies said that the firm was aware of the landscaping case because he had discussed it with colleagues in the Cravath litigation department. He declined to comment on the issue of disclosing his stake in a client company.

In yet one more twist, it has emerged in depositions in the landscaping suit that Ms. Habie has hired at least two convicted felons as employees of the company. These associations make the Habie business an especially unlikely one for a nationally known corporate litigator to get involved in.

Mr. Boies said he invested the \$100,000 out of sympathy for his client. He said he knew of two employees with criminal records but that people who serve their sentences deserve another chance. "It's very hard to get people who are not illegal aliens to do this work," he added.

Please Turn to Page 37, Column 3

Yale Law School (LL.B., 1956). Member: The Association of the Bar of the City of New York; New York State and American Bar Associations; American Law Institute.

**GEORGE T. LOWY**, born New York, N.Y., October 6, 1931, admitted to bar, 1955, New York. Education: New York University (B.A., 1953; LL.B., 1955). Adjunct Professor, New York University Law School, 1983—. Member: The Association of the Bar of the City of New York; New York State, American and International Bar Associations; Union Internationale des Avocats; American Law Institute.

**ROBERT ROSENMAN**, born New York, N.Y., July 24, 1931, admitted to bar, 1956, New York. Education: Harvard University (B.A., 1953); Harvard Law School (LL.B., 1956). Adjunct Professor, New York University Law School, 1986-1993. Member: The Association of the Bar of the City of New York; New York State and American Bar Associations; American Law Institute.

**ALAN J. HRUSKA**, born New York, N.Y., July 9, 1933, admitted to bar, 1959, New York. Education: Yale University (B.A., 1955; LL.B., 1958). Commissioner, New York State Executive Advisory Commission on the Administration of Justice, 1981-1982. Chairman, Planning and Program Committee, Second Circuit Judicial Conference, 1974-1980. Member: The Association of the Bar of the City of New York (Secretary, 1965-1966); New York State and American Bar Associations; Federal Bar Council (President, 1984-1986). Fellow: American College of Trial Lawyers; Institute of Judicial Administration (President, 1982-1985); New York State Bar Foundation; American Bar Foundation.

**JAMES M. EDWARDS**, born Champaign, Illinois, August 15, 1931; admitted to bar, 1961, New York. Education: University of Illinois (B.A., 1953); Yale University (LL.B., 1960). Member: The Association of the Bar of the City of New York; New York State and American Bar Associations.

**FREDERICK A.O. SCHWARZ, JR.**, born New York, N.Y., April 20, 1935, admitted to bar, 1961, New York. Education: Harvard University (A.B., 1957; LL.B., 1960). Chief Counsel, Senate Select Committee to Study Governmental Operations with Respect to Intelligence Activity, 1975-1976. Corporation Counsel for the City of New York, 1982-1986. Chair, New York City Charter Revision Commission, 1989. Member: The Association of the Bar of the City of New York; New York State and American Bar Associations; New York County Lawyers' Association; American Law Institute.

**CHRISTINE BESHAR**, born Paezitz, Germany, November 6, 1929; admitted to bar, 1960, New York. Education: Smith College (B.A., 1953); private study in law office. Member: The Association of the Bar of the City of New York; New York County Lawyers' Association; New York State, American and International Bar Associations. Fellow, American College of Trust and Estate Counsel.

**ROBERT S. RIFKIND**, born New York, N.Y., August 31, 1936; admitted to bar, 1961, New York. Education: Yale University (B.A., 1958); Harvard University (LL.B., 1961). Assistant to the Solicitor General, U.S. Department of Justice 1965-1968. Member: The Association of the Bar of the City of New York; New York State and American Bar Associations; American Law Institute. Fellow: American College of Trial Lawyers; The New York Bar Foundation.

**DAVID BOIES**, born Sycamore, Illinois, March 11, 1941; admitted to bar, 1967, New York. Education: University of Redlands and Northwestern University (B.S., 1964); Yale University (LL.B., 1966). Chief Counsel and Staff Director, Senate Antitrust Subcommittee, 1978. Chief Counsel and Staff Director, Senate Judiciary Committee, 1979. Member: The Association of the Bar of the City of New York; American Bar Association; American College of Trial Lawyers.

**DAVID O. BROWNWOOD**, born Los Angeles, California, May 24, 1935, admitted to bar, 1965, California; 1969, New York. Education: Stanford University (A.B., 1956); Harvard University (LL.B., 1964). National Chair, Harvard Law School Fund, 1991-1993. Visiting Committee, Harvard Law School, 1995—. Member: The Association of the Bar of the City of New York; New York State and American Bar Associations; New York Law Institute (Treasurer, 1978-1983; Chairman of Executive Committee, 1983-1988, President, 1988-1993). Fellow: The New York Bar Foundation; American Bar Foundation. (Resident Partner, London Office).

**PAUL M. DODGE**, born Harttsnack, Michigan, December 19, 1937; admitted to bar, 1966, New York. Education: Alameda College (B.A., 1959); Oxford University, England (B.Phil., 1961); Harvard University

(This Listing Continued)

(LL.B., 1964). Member: The Association of the Bar of the City of New York; New York State and American Bar Associations; New York Law Association.

**RICHARD M. ALLEN**, born Chicago, Illinois, September, admitted to bar, 1967, New York. Education: Purdue University (1963); Duke University (LL.B., 1964). Member: The Association of the City of New York; American Bar Association; College of Investment Counsel (Resident Partner, Hong Kong Office).

**THOMAS R. BROME**, born New York, N.Y., August 24, 1919, admitted to bar, 1967, New York. Education: Harvard College (A.B., 1941); New York University (LL.B., 1967). Director, 1988—. President, 1990. Legal Aid Society. Member: The Association of the Bar of the City of New York; New York State and American Bar Associations.

**ROBERT D. JOFFE**, born New York, N.Y., May 26, 1943; admitted to bar, 1970, New York. Education: Harvard College (A.B., 1964); Law School (J.D., 1967). Member: The Association of the Bar of the City of New York (Chairman, Trade Regulation Committee, 1980-1983); Executive Committee, 1985—; New York State and American Bar Associations; Lawyers Committee for Human Rights (Board of Directors, Executive Committee).

**HERBERT L. CAMP**, born New York, N.Y., August 17, 1919, admitted to bar, 1967, New York. Education: Deerfield Academy; Willamette College (B.A., 1941); Yale University (M.A., 1942; LL.B., 1945). Member: Association of the Bar of the City of New York; New York State Bar Association; Tax Section, 1988-1989; American and International Bar Associations.

**ALLEN FINKELSON**, born Brooklyn, New York, June 23, 1919, admitted to bar, 1972, New York. Education: St. Lawrence University (1968); Columbia Law School (J.D., 1971). Member: The Association of the Bar of the City of New York; New York State Bar Association.

**RONALD S. ROLFE**, born New York, N.Y., September 3, 1919, admitted to bar, 1969, New York. Education: Harvard College (A.B., 1941); Columbia Law School (J.D., 1969). Board of Visitors, Columbia Law School, 1988—. Member: The Association of the Bar of the City of New York; New York State and American Bar Associations; American Law Institute; American Bar Foundation.

**PAUL C. SAUNDERS**, born New York, N.Y., May 21, 1941, admitted to bar, 1966, New York; 1967, District of Columbia. Education: University of Virginia (A.B., 1963); Georgetown University Law Center (J.D., 1966). Member: The Association of the Bar of the City of New York; New York State and American Bar Associations; The District of Columbia Bar.

**MARTIN L. SENZEL**, born Rochester, New York, June 21, 1919, admitted to bar, 1971, New York. Education: Yale University (B.A., 1941); Yale Law School (LL.B., 1949). Member: The Association of the Bar of the City of New York; New York State and American Bar Associations.

**DOUGLAS D. BROADWATER**, born Preston, Minnesota, 1944; admitted to bar, 1969, New York. Education: Harvard College (1966); Columbia Law School (J.D., 1969). Member: The Association of the Bar of the City of New York; New York State and American Bar Associations.

**ALAN C. STEPHENSON**, born Wilmington, North Carolina, July 7, 1944; admitted to bar, 1971, New York. Education: University of North Carolina (A.B., 1967); University of Virginia School of Law (J.D., 1970). Member: The Association of the Bar of the City of New York; New York State and American Bar Associations.

**MAX R. SHULMAN**, born Winston Salem, North Carolina, 1945; admitted to bar, 1972, New York; 1974, U.S. District Court for the Eastern Districts of New York; 1982, U.S. Court of Appeals for the Second Circuit and U.S. Court of International Trade; 1987, U.S. Court of Appeals for the Ninth Circuit; 1988, U.S. Court of Appeals for the Federal Circuit; 1989, U.S. Court of Appeals for the District of Columbia Circuit. Education: Harvard University (A.B., 1967); Columbia Law School (J.D., 1970).

**STUART W. GOLD**, born Jackson Heights, New York, 1919; admitted to bar, 1973, New York. Education: Brooklyn College (B.A., 1949); New York University (J.D., 1972). Member: The Association of the Bar of the City of New York; New York State and American Bar Associations.

**JOHN W. WHITE**, born Washington, D.C., December 1919; admitted to bar, 1974, New York. Education: University of Virginia (1941); New York University School of Law (J.D., 1973). Member

(This Listing Continued)

961409/lcm

IN THE CIRCUIT COURT OF THE  
15TH JUDICIAL CIRCUIT, IN AND  
FOR PALM BEACH COUNTY, FLORIDA

CASE NO: CL 96-008601 AN

NICAL OF PALM BEACH, INC.,  
a Florida corporation and AMY HABIE,  
individually,

Plaintiffs,

vs

SCOTT LEWIS, CAROL LEWIS and  
SCOTT LEWIS' GARDENING &  
TRIMMING, INC, a Florida  
corporation,

Defendants.

**MOTION TO COMPEL TESTIMONY OF AMY HABIE**  
**AND TO IMPOSE SANCTIONS**

Defendants move this Honorable Court for the entry of an Order compelling the Plaintiff, AMY HABIE, to answer questions propounded to her during the course of her deposition which questions she refused to answer without good cause and in direct violation of the express provisions of Rule 1.310(c)

Defendants further move this Honorable Court to compel the Plaintiff, AMY HABIE, to respond to such additional questions as Defendant may ask Amy Habie upon continuation of her deposition and in support thereof Defendants would show that Plaintiff wrongfully and without justification terminated the deposition when Defendants sought to inquire about Habie's and

Nical's employment of convicted felons as evidenced by the attached transcript and the supporting exhibits attached hereto which exhibits demonstrate the good faith basis for Defendants' inquiry.

Defendants seek the imposition of sanctions against Plaintiff including the taxing of costs and fees, the additional per diem court reporter's fee necessitated by Plaintiff's wrongful conduct and such other and further relief as the Court may deem appropriate.

I HEREBY CERTIFY that a copy of the foregoing has been sent by regular U.S. to JAMES FOX MILLER, ESQUIRE, Attorney for Plaintiffs, 4040 Sheridan Street, Hollywood, Florida 33024, JEFFREY P. WASSERMAN, ESQUIRE, 4000 Hollywood Boulevard, Suite 710 North, Hollywood, Florida 33021 and DAVID BOIES, ESQUIRE, Empire Building, Bedford, New York 10506, this 16th day of June, 1997

JACK SCAROLA, ESQ.  
Florida Bar Attorney No. 169440  
Searcy Denney Scarola Barnhart &  
Shipley, P A  
2139 Palm Beach Lakes Boulevard  
Post Office Drawer 3626  
West Palm Beach, FL 33402-3626  
(561) 686-6300  
Attorneys for Defendants

Headline: STATE OFFICIAL INDICTED GRAND JURY CITES ROLE IN DRUG CASE

Date: June 23, 1987

Section: LOCAL

Page: 1A

Edition: ALL EDITIONS

Length: MEDIUM, 1068 words

Author: By JEAN THOMPSON, and JOHN MULLIKEN, Staff Writers

Index Terms: CRIME WHITE COLLAR

BRIBERY

FLORIDA DNR

PROFILE ELTON GISSENDANNER

INDICTMENT

DRUG SMUGGLING

*Habit/Bores  
employee  
(#1 Supervisor)  
Patrick Bilton*

Text:

Elton J. Gissendanner, the director of the state Department of Natural Resources, was indicted on Monday by a federal grand jury in Miami on charges of accepting \$80,000 to help a drug smuggler avoid a prison sentence.

On Gissendanner's recommendation, notorious smuggler Patrick Bilton became an informant for the Florida Marine Patrol, U.S. Attorney Leon Kellner said.

The arrangement won Bilton probation instead of prison time on a smuggling charge, Kellner said.

While an informant, however, Bilton tricked the agency instead of helping it, Kellner said.

Gissendanner is the first public official charged in connection with "Operation Man," a joint-agency federal probe of a multimillion dollar racketeering and drug money laundering network.

As a result of the far-ranging investigation, which began two years ago, 15 indictments have been handed up, \$16 million in assets have been seized and seven guilty pleas have been entered, a Drug Enforcement Administration spokesman said.

Gissendanner, 59, of North Miami, resigned immediately Monday, nine days before the end of his term. For almost eight years, he served as an appointee of then-Gov. Bob Graham and his Cabinet.

The veterinarian planned to leave office July 1. Gov. Bob Martinez and his Cabinet already had named a replacement, Tom Gardner, who is now assistant secretary of state.

The indictment charges Gissendanner with extortion, conspiracy, lying to a grand jury and falsifying his 1983 federal tax return. He was charged under the Hobbs Act, which covers wrongdoing on the part of public officials.

"The charges against Dr. Gissendanner are extremely serious and go to the very heart of government's greatest asset -- the confidence of the people in the honesty of public officials," said Martinez.

"It is appropriate that Dr. Gissendanner resigned in order to protect the integrity of the department."

Sources close to Martinez said the governor was prepared to suspend Gissendanner from office at the time of the indictment, but that his resignation makes that action moot.

If convicted, he faces a maximum sentence of 48 years in prison and fines totaling \$130,000, U.S. Attorney Kellner said.

Gissendanner did not return telephone calls placed to him on Monday in Yulee, near Jacksonville, where he attended a meeting of endangered species specialists.

Patricia Kyle, one of two lawyers representing Gissendanner, said he will surrender Wednesday morning at the federal courthouse in Fort Lauderdale.

"He will enter an emphatic plea of innocent," Kyle said.

"He is very saddened by what he perceives as a blot on a long career of public service," Kyle said. "All of a sudden as he is approaching the twilight of his public service, he is facing this. It doesn't seem fair."

Though he has made arrangements to turn himself in, prosecutors obtained an arrest warrant from U.S. Magistrate Charlene Sorrentino in Miami.

The conspiracy began about December 1982, after the Florida Marine Patrol arrested Bilton on drug smuggling charges, the indictment says. It was a highly publicized case. Bilton attempted to escape and agents shot out his boat engines.

Bilton was charged with violating probation from a previous conviction. He faced a mandatory three to seven years in prison.

A mutual friend, former Miami Lakes restaurateur and drug smuggler Dennis McGuire, asked Gissendanner to intervene, Kellner said. For \$100,000, the wheel was greased, the indictment said.

Gissendanner suggested to Clifford Kidd, then bureau chief of special operations with the marine patrol, that Bilton would be useful as an informant, Kellner said.

Clifford Kidd, now deputy director of the patrol, said Monday, "The story that we had been given was he was young, well educated, good family."

He declined to comment on Gissendanner's role. He said it is routine for drug suspects to become part of the "substantial assistance" program to earn lighter sentences.

"We've done it before. We've done it since," he said.

As bait, Bilton dangled in front of the marine patrol his knowledge of a scheduled arrival off Key Largo of the Tunita, a 45-foot Hatteras full of cocaine. Three to five patrol boats and at least 10 officers staked out the location, Kidd said.

The boat arrived but ran aground on a reef. The officers found about two kilos of cocaine sprinkled over the crumpled hull and found hidden compartments, which were empty, he said.



.. "We thought, boy, that's a good one," Kidd said.

Kellner said the boat belonged to Bilton's drug network. It was a ruse, set up to help him qualify for probation instead of a prison term, he said.

"It's embarrassing, really," Kidd said.

Meanwhile, Kellner said, Bilton was sending cash payments through McGuire to Gissendanner.

Of the \$100,000 agreed upon, Gissendanner received only \$80,000, and paid \$50,000 of that to a building contractor for work on a Tallahassee duplex, the indictment says. The money given to Gissendanner was drug proceeds, according to the indictment.

"It just goes to show, again, I'm afraid, the corruptive influence of drug traffic," DEA spokesman Paul Teresi said.

Meanwhile, Bilton has pleaded guilty to new charges that he violated probation, but has not yet been sentenced. And a grand jury has charged in an indictment that he continued smuggling thousands of pounds of drugs while he was on probation.

The U.S. Justice Department Strike Force, DEA, Internal Revenue Service and England's New Scotland Yard cooperated in the investigation, Kellner said.

U.S. Sen. Graham, who as governor had been one of Gissendanner's strongest supporters, said he did not know the details of the indictment. Gissendanner was once Graham's Dade County campaign manager.

"I am confident that the justice system will establish what is true," Graham said. "I have a high regard for what Gissendanner has contributed to Florida."

Don Duden, who was Gissendanner's assistant director, will head the department until July 1.

Graphic:  
PHOTO (1, color mug of Elton Gissendanner)

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Headline: MIAMI LAWYER INDICTED FEDERAL INQUIRY WIDENS IN SCOPE

Date: November 26, 1986  
Page: 4B

Section: LOCAL  
Edition: SUN-SENTINEL  
Length: Medium, 604 words

Author: DEBORAH PETIT, Staff Writer

Index Terms: CRIME WHITE COLLAR  
DRUG  
PROBE  
SCOPE

Text:

The scope of the "Operation Man" investigation grew Tuesday with the indictment of a second Miami lawyer, who allegedly helped his law partner launder \$50 million in illicit drug profits through a worldwide corporate network.

The 36-count indictment that charges attorney Lawrence Berrin with racketeering and conspiracy also identifies the ringleaders of three major smuggling groups who allegedly brought tons of marijuana into Palm Beach, Broward and Dade counties between 1979 and 1984.

Members of the three smuggling organizations allegedly paid Berrin, a 1972 Georgetown Law School graduate, and his then-partner, Michael I. Levine, a percentage of the millions they earned.

The lawyers routed the cash through corporations they established in the British Virgin Islands, the Isle of Man, Panama and elsewhere and then into corporate accounts in this country, the indictment says.

The lawyers then directed the purchase of South Florida investment properties and boats for the smugglers, according to the indictment.

Levine, who was charged in October in the first Operation Man indictment, is expected to plead guilty and cooperate with the government in its investigation and prosecution of the case, Lothar Genge, a prosecutor with the U.S. Justice Department's Organized Crime Strike Force in Fort Lauderdale, told a federal magistrate Tuesday in Fort Lauderdale.

Levine and his attorney could not be reached for comment.

Genge said it was Berrin who first started working with the smugglers in 1979 and brought Levine into the conspiracy several years later.

Berrin turned himself in to U.S. Drug Enforcement Administration agents in Fort Lauderdale Tuesday afternoon. He was allowed to go free on a \$2.5 million bond, which was secured by his family's extensive property holdings and \$50,000 cash.

Berrin's attorney, Alan Ross, called the charges unfounded and the government's investigation "a war on lawyers in uncharted waters."

Ross said he does not dispute that his client helped set up the corporate accounts and purchased investment properties for the alleged drug kingpins. The issue at trial will be whether Berrin believed he was laundering drug money, or simply handling real estate transactions for legitimate clients, Ross said.

Operation Man, a joint DEA, New Scotland Yard and IRS investigation, mushroomed from the 1985 arrest of Broward County fugitive Scott Errico in London. Other lawyers are expected to be charged before Operation Man runs its course.

Errico, who is still fighting extradition from England, is charged in

Fort Lauderdale with racketeering and the execution of three smuggling associates. A/

Errico allegedly was tied in with each of the three smuggling groups identified in the Tuesday indictment.

The leaders of those groups were Patrick Bilton, Paul Ackley and Michael O. Munday, said Paul Teresi, the DEA's resident agent in charge in Fort Lauderdale.

Bilton was charged with Levine and nine other alleged smugglers in the first indictment.

Ackley, 36, formerly of Fort Lauderdale and Miami, was charged with racketeering in the Tuesday indictment.

And Munday, though mentioned in Tuesday's indictment, has not yet been charged.

Also charged Tuesday was alleged smuggler Ian Krebs, 31, formerly of Miami.

Caption:

PHOTO (one mug of Lawrence Berrin)

Memo:

Edited version appeared on page 7B of Palm Beach Edition.

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Headline: LAWYER SHOULD FORFEIT DRUG-MONEY FEE, PROSECUTOR SAYS

Date: April 11, 1989

Section: LOCAL

Page: 1B

Edition: BROWARD

Length: SHORT, 380 words

Author: By TOM LASSITER, Staff Writer

Index Terms: PROTEST  
LEGAL MISCONDUCT  
CRIME DRUG SMUGGLING

Text:

A federal prosecutor is crying foul over a \$100,000 fee an attorney paid himself after he retrieved almost \$1.5 million in drug money stashed in West Germany by a client.

Papers filed in U.S. District Court in Miami on Friday demanded that Miami lawyer William Tunkey hand over the \$100,000, plus another \$25,000 he kept to pay a court fine imposed on his client. Tunkey did turn over \$1.345 million -- all in \$100 bills -- to a federal drug agent who met the attorney's return flight at Miami International Airport.

"Although there had been some discussions concerning possible remunerations to Mr. Tunkey and/or Mr. (Edward) Shohat for their efforts in the retrieval of this cash," neither was given permission, according to the motion filed by Lothar Genge, a prosecutor with the Organized Crime Strike Force office in Fort Lauderdale. "Messrs. Tunkey and Shohat have no legal claim to any of said monies."

Like the balance of the cash, the money should be forfeited to the U.S. government, the motion said.

Tunkey and Shohat, another Miami lawyer could not be reached for comment.

According to the motion, Tunkey flew to Frankfurt, West Germany, on March 22 to retrieve about \$1.5 million obtained by his client, Patrick Bilton, by smuggling marijuana.

Bilton had pleaded guilty in January 1987 to two conspiracy charges and was sentenced to 18 years in prison. The sentence was cut by half after Bilton agreed to cooperate with authorities and forfeit all assets acquired from the smuggling operation.

The motion does not indicate how prosecutors learned of the stashed money but said the money should have been turned over at the time Bilton agreed to cooperate. The cash was retrieved from "third persons unknown to the government," the motion said.

Tunkey returned to Miami on March 23, and turned over \$1.345 million to a Drug Enforcement Administration Special Agent Dirk Lamagno. Tunkey told Lamagno he was keeping \$100,000 as "legal fees" and \$25,000 to pay a court fine imposed on Bilton, the motion said.

Headline: WITNESS' SENTENCE REDUCED

Date: January 28, 1988  
Page: 3B

Section: LOCAL  
Edition: BROWARD  
Length: SHORT, 243 words

Author: Staff reports  
Index Terms: FLORIDA DNR  
FLORIDA OFFICIAL  
CRIME WHITE COLLAR

Text:

A federal judge on Wednesday reduced the sentence of a Fort Lauderdale man who testified for the government in the trial of Elton Gissendanner, former director of the state Department of Natural Resources.

Patrick Bilton, 27, gave testimony for the government in Gissendanner's November trial, while he was under a 17-year sentence in an unrelated case. U.S. District Judge Edward B. Davis reduced that sentence to 10 years and said he would recommend that Bilton serve it at Maxwell Air Force Base, a minimum-security prison in Alabama.

Gissendanner, who was indicted on influence-peddling charges, pleaded guilty after four days of trial to a charge of obstruction of justice. He was sentenced on Monday to 18 months in prison by U.S. District Judge Sidney Aronovitz.

At a hearing on Wednesday, Bilton's attorney, William Tunkey, told Davis that his client had provided "substantial aid" for the prosecution, not only in the Gissendanner case, but in other cases.

U.S. Justice Department Attorney Lothar Genge, chief of the Fort Lauderdale Organized Crime Strike Force, agreed.

Bilton had pleaded guilty before Davis on Sept. 21, 1987 to racketeering in connection with marijuana trafficking, for which he received the initial sentence.

Memo:  
METRO EXTRA

DIGEST

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Headline: GISSENDANNER AIDED DRUG SMUGGLER, WITNESS TESTIFIES

Date: November 12, 1987

Section: LOCAL

Page: 20A

Edition: ALL EDITIONS

Length: MEDIUM, 564 words

Author: By JEAN THOMPSON, Staff Writer

Index Terms: CRIME DRUG SMUGGLER  
BRIBERY  
CRIME WHITE COLLAR  
MISCONDUCT  
FLORIDA DNR  
GISSENDANNER TRIAL

Text:

MIAMI -- Admitted racketeer Dennis McGuire testified on Wednesday that he gave former state Natural Resources Director Elton J. Gissendanner \$80,000 to \$90,000 for helping a drug smuggler stay out of prison. X

McGuire, the key government witness at Gissendanner's trial, credited himself with conceiving the "business deal" that helped Fort Lauderdale area smuggler Patrick Bilton to continue plying his trade after a 1982 arrest.

McGuire said Gissendanner knew where the money came from, but he later implied that the former official was a pawn in the deal.

"The bottom line here is Bilton and I were partners in crime," said McGuire, 37, Miami. "We did what we had to do to get Patrick to stay out of jail. He paid me \$100,000. I paid Elton."

During nearly four hours of testimony and heat-charged cross-examination, McGuire conceded that Gissendanner never sought payment in exchange for the help he gave Bilton.

McGuire said he invited Gissendanner, his long-time friend and partner in dog track ventures, down to Miami from Tallahassee to discuss Bilton's predicament. McGuire said he asked Gissendanner for help, but did not tell the official the full extent of Bilton's criminal background.

On Gissendanner's recommendation, the Florida Marine Patrol later made Bilton an informant. Bilton's aid, although eventually exposed as a sham, had helped him earn a lenient probation sentence instead of a prison term for smuggling.

"I told (Bilton) that my friend would do it for no money, but he was gonna pay me a fee because he was gonna make money while he was out," McGuire said.

His defunct Miami Lakes restaurant, Crackers, had been promised backing by an investor who was profiting from Bilton's illicit proceeds, McGuire said. The investor, Midnight Express shipyard owner Byng Goode, could not pay if his co-owner, Bilton, were in prison, McGuire said.

As Bilton paid the fee, McGuire put it in the bank. He said he paid

Gissendanner in cash in increments of about \$5,000, \$10,000 and \$15,000 in 1983 and 1984, usually when the state official was visiting the Miami area over a weekend.

When asked by defense attorney Marc Nurik to name and describe an exact payment or date, however, McGuire said he could not. He also said there were no witnesses.

Nurik suggested that McGuire agreed to testify only after government attorneys convinced a judge to hold him in pre-trial detention on a 1987 racketeering indictment.

McGuire spent five to six weeks in the Fort Lauderdale city jail, a facility usually used for only overnight stays, Nurik said. He suggested that McGuire's discomfort there prompted him to sign the government's plea agreement.

Gissendanner knew the source of the money, McGuire said, adding: "I had told him that I was getting the \$100,000 from Bilton for the help we were giving him."

Gissendanner, 60, has been charged with extortion conspiracy under the Hobbs Act, a federal law governing the actions of public officials. He also was charged with tax evasion and with lying to a grand jury.

Graphic:  
PHOTO (1, mug of Elton J. Gissendanner)

Memo:  
THE STATE

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Headline: EX-STATE OFFICIAL FREE ON BOND IN EXTORTION CASE

Date: June 25, 1987

Section: LOCAL

Page: 1B

Edition: BROWARD

Length: MEDIUM, 794 words

Author: By JEAN THOMPSON, Staff Writer

Index Terms: CRIME WHITE COLLAR

BRIBERY

FLORIDA DNR

DRUG SMUGGLING

Text:

Former state natural resources director Elton J. Gissendanner said on Wednesday that he is innocent of extortion and other charges leveled against him by a federal grand jury.

He surrendered to U.S. Drug Enforcement Administration officers at the federal courthouse in Fort Lauderdale to face charges that he took \$80,000 to help a drug smuggler avoid a prison sentence. U.S. Magistrate Lurana Snow later released him on a \$100,000 bond.

"I think I will come out of this stronger than I went in," Gissendanner, 59, said after his release in his first public statement since he was indicted on Monday.

Asked why, he said, "Because I am innocent."

The indictment charges Gissendanner with four counts of violating the Hobbs Act, which pertains to the conduct of public officials.

He is charged with extortion, lying to a federal grand jury, soliciting and taking \$80,000 to help the smuggler avoid a prison sentence, and failing to disclose the money as income on his 1983 income tax return.

If convicted, Gissendanner faces a maximum sentence of 48 years and fines totaling \$130,000.

Of the indictment, he said, "I read it and I have no doubt that those accusations will not stand up and they are not true."

Gissendanner, who resigned after he was indicted, said he has faith in himself as a public administrator.

He said he will continue a job hunt that so far has been fruitless. He is an applicant for the directorship of Monroe County's new Land Authority and for several other jobs, he said.

Appearing calm and at times nonchalant Gissendanner praised the American judicial system for giving him the chance to be judged not by "any criminals who have made accusations against me," but by a jury.

Prosecutor Lothar Genge, a lawyer with the U.S. Department of Justice's Strike Force, said Gissendanner's arrest should send a message to public



officials about corruption involving drug proceeds.

"We are looking more and more toward attorneys, accountants, professionals that launder this money, and if necessary, to politicians," Genge said.

"I think it tells public officials that law enforcement, particularly at the federal level, has gotten sophisticated enough that we're not just going to be arresting the off-loaders in these drug cases," he said.

Gissendanner, who earned \$76,000-a-year as head of the Department of Natural Resources, reported a net worth of almost \$1 million on recent state financial disclosure forms. His assets include \$500,000 in real estate in Broward County.

A former veterinarian and a political protege of Florida Sen. Bob Graham, he became chief of natural resources in 1979. He was at odds with his new bosses -- Gov. Bob Martinez and the Florida Cabinet -- and had planned to resign on July 1.

In a related development on Wednesday, Graham's press aide rebutted a newspaper's report of links between the former governor and a convicted felon named in Gissendanner's indictment.

Dennis McGuire, convicted in 1978 on drug conspiracy charges, was later granted clemency by Graham and the Cabinet. The act cleared the way for McGuire to become part owner of Crackers restaurant and club, which was built on property in the Miami Lakes area leased from a Graham family company, The Miami News said on Wednesday.

Convicted felons cannot be principals in Florida businesses that sell alcoholic beverages unless they have been granted clemency.

Press aide Ken Klein said The Sengra Corp., a Graham family company, leased some land in 1982 to a company associated with McGuire. Graham was not involved in the transaction or the family company's management, Klein said. He also said that Graham remembers no details of the clemency decision, which he called a routine administrative matter.

"Bob Graham does not know Mr. McGuire," Klein said.

Gissendanner's indictment names McGuire as the go-between in the alleged deal with drug smuggler Patrick Bilton. McGuire was not a defendant in the indictment, but was named as the person who delivered the cash payments to the former natural resources chief.

Gissendanner was the first state official indicted in a case spinning off from "Operation Man," a two-year investigation of a worldwide drug money laundering and racketeering network. The smuggler allegedly helped by Gissendanner was a target of the probe.

Graphic:  
PHOTO (1)

Caption:  
(Staff photo/URSULA SEEMANN) Elton Gissendanner surrendered to U.S. Drug Enforcement Agency officials on Wednesday.

Headline: DRUG CONSPIRATORS SENTENCED DESPITE PLEAS FOR LENIENCY

Date: September 19, 1987

Section: LOCAL

Page: 7B

Edition: BROWARD

Length: MEDIUM, 740 words

Author: By JEAN THOMPSON, Staff Writer

Index Terms: CRIME DRUG SMUGGLING  
ORGANIZED CRIME  
SENTENCE  
LEGAL ETHICS

Text:

Down to the last moment, the defendants scrambled to deliver ill-gotten assets and offers of underworld information to the federal government.

But 11th-hour cooperation and impassioned pleas for mercy failed on Friday to save seven conspirators, including two Miami lawyers and a Fort Lauderdale marijuana importer, from prison terms. The sentencings of smuggler Patrick Bilton and lawyers Lawrence S. Berrin and Michael I. Levine partially close the first chapter in a federal investigation into an international narcotics network.

U.S. District Judge Edward Davis left the final page unturned. The sentences imposed on Friday in Miami may be reduced if the criminals who entered plea agreements keep their promises and cooperate with investigators, he said.

Davis gave the stiffest sentence to Bilton, 27, an admitted smuggler whose organization brought tons of marijuana into Fort Lauderdale.

Bilton, described as a brilliant, hard worker lured into the illegal trade at age 16, was sentenced to 17 years in prison and a \$35,000 fine.

The judge saved his most stinging words for Berrin, 39, a graduate of the Georgetown University Law School, and his former partner, Levine, 33, both of whom will lose their right to practice. Each was sentenced to nine years in prison and a \$35,000 fine.

Both had pleaded guilty to racketeering and conspiracy charges. Both had admitted routing millions of dollars through corporate accounts established for three drug-smuggling operations.

On Friday, both said they were taught that all people have a right to counsel. Berrin, in asking for leniency, said his error was "a moral breakdown" because he took work from drug smugglers, believing he "didn't have to care what the backgrounds of my clients were."

Davis called it an ethical problem.

"I cannot believe or accept that two men of your obvious intelligence would not know what was occurring," he said.

Throughout the day, attorneys and relatives of the seven defendants asked

the court to be lenient. Community service done by different defendants was brought out, as were efforts at self-rehabilitation.

At about 10 a.m., attorneys announced that a 63-foot boat used in drug smuggling was left waiting for U.S. Drug Enforcement Administration officials at a waterfront club in Broward County.

By 3 p.m., a second boat, 48-feet-long, was waiting at a location in Panama, the attorneys said.

They were the last of six boats promised to federal authorities as part of forfeitures in the plea-agreement deals, said Lothar Genge, the prosecutor from the U.S. Justice Department Strike Force office in Fort Lauderdale.

The third was turned over earlier this week.

Plea agreements as yet unfulfilled "are open ended," Genge said.

Much information needed about the enterprise's money is still missing. Some money earned by individual smugglers and employees has not been accounted for. Other assets have not been forfeited.

Then there was the promise of help with information.

Bilton and Dennis Maguire, 36, of Hialeah, whose sentencing was postponed, was expected to testify in November against former state Natural Resources Department head Elton J. Gissendanner, Genge said. Gissendanner was arrested earlier this year on charges of extortion, perjury and conspiracy for allegedly accepting bribe money sent by Bilton.

Also sentenced on Friday were:

-- Edward Curran, 32, of Hollywood, to eight years in prison and a \$35,000 fine. A registered nurse who also does volunteer work at Pembroke Pines General Hospital, Curran was considered the boating specialist and recruiter of boat captains for Bilton's enterprise, Genge said. Curran arranged the forfeitures of at least two of the boats turned over to the government this week, he said.

-- Shaun Michael Little, 36, of Lighthouse Point, to five years in prison and three years of special parole.

-- Tommy Teagle, 37, of Hollywood, to three years in prison and three years of special parole.

-- Dennis Cason, 38, of Miami, to three years in prison.

Teagle and Little, the only defendants who did not enter plea agreements, were convicted of racketeering and drug charges by a jury.

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Headline: WITNESS' CREDIBILITY KEY IN OFFICIAL'S TRIAL

Date: November 10, 1987

Section: LOCAL

Page: 10A

Edition: ALL EDITIONS

Length: MEDIUM, 438 words

Author: By JEAN THOMPSON, Staff Writer

Index Terms: CRIME BRIBERY  
DRUG SMUGGLING  
CRIME WHITE COLLAR  
FLORIDA DNR  
FLORIDA OFFICIAL  
MISCONDUCT

Text:

MIAMI -- An admitted marijuana importer said on Monday that he spent more than \$100,000 in 1983 and 1984 to buy a favor from former state official Elton J. Gissendanner.

However, during opening day testimony at Gissendanner's extortion trial, smuggler Patrick Bilton also said he does not know whether the money was ever delivered. He gave the cash to a go-between, Dennis "Jabba the Hut" McGuire. The nickname comes from a Star Wars film character, a trader known to cheat his customers.

"I only know what Dennis McGuire told me," Bilton testified.

McGuire, who is a longtime friend of Gissendanner, the former executive director of the state Department of Natural Resources, has emerged as the central character in the case.

When McGuire takes the stand today as a government witness, the defense will try to paint him as a double-crosser who misled a too-trusting public servant.

A federal grand jury indicted Gissendanner on June 22 on charges that he accepted \$80,000 of Bilton's money from McGuire to help the smuggler avoid prison. It also charged he lied to the grand jury that investigated the scandal and failed to report the income to the Internal Revenue Service.

Prosecutor Lothar Genge, an attorney with the U.S. Department of Justice Strike Force, has called McGuire a co-conspirator in the payoff scheme.

Bilton was on probation from a previous charge when he was arrested by the Florida Marine Patrol in December 1983 after a boat chase out of Port Everglades, Genge told the jury.

He faced a mandatory prison sentence of up to 30 years. He wanted a way out, Genge said.

McGuire offered to seek help from a friend at the Department of Natural Resources, Bilton testified.

Bilton did not like the deal, but went along. He was to give McGuire \$100,000 for the friend, but it meant becoming an informant for the Marine Patrol.

When the time came to make the payoff, Bilton was suspicious and demanded that McGuire reveal his friend's name.

McGuire produced a boat registration and pointed to the bottom where Gissendanner's name was written. "This is my friend who is helping to help you," he said.

Bilton agreed to help catch a smuggler bringing in a vessel laden with drugs. He later had friends stage a boat crash off the Florida Keys to satisfy his contract, he said. The Marine Patrol was duped.

Memo:  
THE STATE

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Headline: DRUG SMUGGLER SENTENCED TO 8 YEARS, MAY TESTIFY AT TRIAL OF  
FORMER OFFICIAL

Date: September 25, 1987  
Page: 10A

Section: LOCAL  
Edition: ALL EDITIONS  
Length: SHORT, 338 words

Author: The Associated Press  
Index Terms: CRIME DRUG SMUGGLING  
SENTENCE  
CRIME EXTORTION  
CONSPIRACY  
FLORIDA DNR

Text:

MIAMI -- A drug smuggler expected to testify in the bribery trial of Florida's former state natural resources chief was sentenced Thursday to eight years in prison and fined \$35,000.

Dennis McGuire, 37, of Miami, had pleaded guilty to charges of racketeering and tax fraud in what prosecutors called a giant marijuana smuggling ring. A total of 14 people were indicted last year. Six of them are fugitives, including former Indy 500 race car driver Randy Lanier. U.S. District Judge Edward Davis allowed McGuire out on bond for 60 days so he could testify against Elton Gissendanner, who resigned after eight years as head of the state Department of Natural Resources when he was indicted June 22.

Another defendant, Patrick Bilton, 27, of Fort Lauderdale, is also scheduled to testify.

Gissendanner, 59, is charged with extortion, conspiracy, making false statements to the grand jury and making false statements on his 1983 federal income tax return. If convicted, he faces up to 48 years in prison and \$130,000 in fines.

His trial is tentatively scheduled here Nov. 2 before U.S. District Court Judge Sidney Aronovitz.

According to the indictment, McGuire schemed with Gissendanner to extort \$80,000 from Bilton, who was arrested on marijuana charges five years ago by the Florida Marine Patrol. The money was delivered to Gissendanner in a paper bag.

Gissendanner helped McGuire, a convicted felon, win executive clemency in late 1984 from then-Gov. Bob Graham and the state Cabinet.

Bilton, who was portrayed by Gissendanner as a helpful informant, later received a suspended sentence.

Bilton was sentenced last week to 17 years in prison and fined \$35,000 after pleading guilty to racketeering and marijuana importation charges.

Headline: INDY DRIVER CHARGED IN DRUG SMUGGLING

Date: October 16, 1986

Page: 1B

Section: LOCAL

Edition: SUN-SENTINEL

Length: Medium, 803 words

Author: DEBORAH PETIT, Staff Writer

Index Terms: INVESTIGATION

DRUG

CELEBRITY

Text:

Federal agents have charged a dozen people, including Indianapolis 500 Rookie of the Year race car driver Randy Lanier, with running a major marijuana smuggling organization out of Fort Lauderdale.

With the help of several local attorneys, the group laundered at least \$30 million in profits through banks in England, Panama, Hong Kong, the British Virgin Islands, the Isle of Man and elsewhere, according to a criminal complaint filed Wednesday in federal court in Fort Lauderdale.

An informant told a federal grand jury that the group brought more than 100,000 pounds of marijuana into South Florida between September 1983 and June 1985.

The criminal complaint does not identify the lawyers who allegedly helped with the money laundering end of the smuggling operation. None of the 12 people charged in the complaint is a lawyer.

Several South Florida lawyers are expected to be among those eventually indicted. The seven-month investigation is expected to end next week with a grand jury indictment that is to further detail the involvement of the 12 and the lawyers' role.

Lanier, 32, of Davie, is the best known of those charged so far because of his successes on the sports car and Indy racing circuit during the past few years.

Several others named in the U.S Drug Enforcement Administration complaint have been convicted of drug-related offenses before.

The criminal complaint gives few details about the group. It does not say where the group got the marijuana or how it was smuggled.

"It is an ongoing grand jury investigation so I cannot go into any detail," said Paul Teresi, resident agent in charge of the DEA's office in Fort Lauderdale.

"This is considered a major drug and money laundering organization. They were significant importers."

Word of the ongoing investigation apparently circulated among at least a few of the 12 people charged.

Informants told the DEA that several people had begun liquidating their assets and were preparing to flee the area, an affidavit says.

So the DEA decided to charge them immediately, rather than wait for the grand jury to hand up an indictment.

DEA agents arrested five of the 12 suspects Tuesday afternoon and evening on charges of conspiracy and possession with intent to distribute marijuana.

The five appeared Wednesday morning before U.S. Magistrate Lurana Snow at the Federal Courthouse in Fort Lauderdale.

They are: Patrick Bilton, 26, of Southwest 35th Avenue, Fort Lauderdale; Edward Curran, 31, of Northeast Sixth Court, Dania; John

Dennis Cason, 38, of Hawthock Road, Fort Lauderdale; Dennis Edward McGuire, 36, of North Oakmont Drive, Hialeah; and Shaun Little, 36, of Northeast 29th Avenue, Fort Lauderdale.

The government is seeking to keep Bilton, McGuire and Curran in custody until trial. Snow set a \$100,000 corporate surety bond for Cason and a \$250,000 personal surety bond for Little. Bilton, McGuire and Cason all have prior drug convictions, according to authorities.

Lanier surrendered to authorities Wednesday afternoon. His bond was set at \$100,000.

Tommy Tiegle, whose age and address were unavailable, also is expected to turn himself in.

The DEA requested that the names of the remaining five suspects charged not be released until their arrests.

Besides the DEA, investigators from New Scotland Yard in England and the U.S. Internal Revenue Service have helped develop the case.

Lanier has made headlines for years because of his prowess behind the steering wheel.

Earlier this year, Lanier was in the news because he sometimes teamed with Fort Lauderdale race driver Bill Whittington in national racing events.

Whittington pleaded guilty last spring to running an unrelated, \$73 million marijuana smuggling organization out of Broward County between 1977 and 1981.

Whittington's plea agreement called for him to forfeit \$7 million and spend at least five years in prison. Details of that agreement are still being fine-tuned, and Whittington has not yet been sentenced.

Lanier also was a racing buddy of Davie race car driver Marty Hinze. Hinze pleaded guilty Wednesday afternoon for his involvement in Whittington's marijuana smuggling organization and faces a possible 16-year prison term.

Last spring Lanier said in an interview that he didn't know Whittington was involved in drug trafficking.

"We heard rumors for years " Lanier said in the interview. "It's unfortunate, but I don't think less of him as a person. I hope people will take me on my driving skills, not whom I associate with."

Memo:

Edited version appeared on page 6B of Palm Beach Edition.

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Accession Number: 8603030003

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Headline: HOLLYWOOD MEN FOUND GUILTY OF EXTORTION

Date: April 14, 1990  
Page: 3B

Section: LOCAL  
Edition: BROWARD  
Length: MEDIUM, 570 words

Author: Staff and wire reports  
Index Terms: CRIME EXTORTION  
VERDICT  
MULTIPLE CONVICTION  
ASSAULT  
CRIME KIDNAPPING

Habre/Bates  
employee  
Michael  
Monahan  
(#2 Supervisor)

Text:

The son of a reputed crime family boss and three other Hollywood men were found guilty in federal court in Jacksonville on Friday of using extortion to collect a \$40,000 debt from a stockbroker who later was murdered.

"It was a good verdict based on the evidence," said Assistant U.S. Attorney Kevin March of Tampa, who prosecuted the case. Convicted on two extortion counts were Anthony Accetturo Jr., 24, son of a reputed captain in the Lucchese crime family of New York; brothers Robert Basha, 26, and Raymond Basha, 23; and Michael Monahan, whose age was unavailable.

The four men, all of Hollywood, were accused of kidnapping stockbroker Christopher James Loiselle, threatening him and assaulting him in an attempt to collect \$40,000 he had borrowed from the Bashas for 45 days at a 50 percent interest rate.

Loiselle's body was found on March 15 in a drainage ditch in Manatee County. He had been shot five times in his chest.

An earlier statement he gave to authorities about the kidnapping, and taped telephone conversations between Loiselle and the Bashas, were admitted as trial evidence, but the jury was not told that Loiselle had been murdered.

U.S. District Judge Anthony Alaimo, who moved the trial from Tampa because of publicity after the death of Loiselle, did not set a sentencing date. The four men face up to 20 years in prison on each of the two counts, March said. They were ordered jailed until sentencing.

The jury, which began its deliberations on Wednesday, was unable to reach a verdict on a racketeering conspiracy count and a charge that the defendants used violence to further their racketeering operations. U.S. Attorney Robert W. Genzman will decide whether to seek a new trial on those charges.

Accetturo and Raymond Basha were both found not guilty of kidnapping Scott Stockholm, a friend of Loiselle, and taking him from North Miami Beach to Largo. The jury could not reach a verdict on that count against Robert Basha and Michael Monahan.

Headline: 4 SENTENCED FOR EXTORTION

Date: July 12, 1990  
Page: 3B

Section: LOCAL  
Edition: NORTH BROWARD  
Length: SHORT, 223 words

Author: Staff and wire reports  
Index Terms: CRIME EXTORTION  
MAFIA

Text:

TAMPA -- Four Hollywood men convicted of extortion to collect a debt from a stockbroker have been sentenced to prison terms ranging from four to six years.

The stockbroker, Christopher Loiselle, 30, of Largo, was found murdered as the trial was to begin. The trial was moved to Tampa. Anthony Accetturo Jr., 24-year-old son of a reputed captain in the Lucchese crime family of northern New Jersey, was sentenced on Tuesday to six years and four months in prison. Robert Basha was sentenced to five years in prison and fined \$20,000. His brother Raymond Basha was given four years and two months in prison and a \$20,000 fine. Michael Monahan was sentenced to five years.

The men were accused of kidnapping Loiselle last fall, threatening and assaulting him in an attempt to collect \$40,000 borrowed from the Bashas, owners of R&R Jet Tech Inc., a Hollywood jet ski business.

Loiselle, who was to have been a witness, was found dead three days after the trial was to have begun. No one has been charged in Loiselle's death.

Visiting U.S. District Judge Anthony Alaimo moved the trial to Jacksonville because of publicity in Tampa about the death.

Memo:  
DIGEST

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IN THE CIRCUIT COURT FOR THE  
 FIFTEENTH JUDICIAL CIRCUIT IN AND FOR  
 PALM BEACH COUNTY, FLORIDA  
 CASE NO. CL 66-008601 AM

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NICAL OF PALM BEACH, INC.

a Florida corporation and

AMY HABIE, individually,

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PLAINTIFFS,

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VS.

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SCOTT LEWIS, CAROL LEWIS and

SCOTT LEWIS' GARDENING &amp;

TRIMMING, INC., a Florida

corporation,

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DEFENDANTS

11

12

DEPOSITION OF THE WITNESS,

13

AMY HABIE,

TAKEN BY THE DEFENDANTS

14

ON MARCH 18, 1967

VOLUME 111

15

16

APPEARANCES,

17

NEARCY DENNEY SCAROLA BARNHART

a WHITLEY, P.A.

18

8188 Palm Beach Lakes Boulevard

West Palm Beach, FL., 33403-2829

19

BY JACK SCAROLA, ESQUIRE

20

GRAVATH SWAINE &amp; MOORE

Gordons Plaza

21

688 Eighth Avenue

New York, New York 10019

22

BY DAVID BONES, ESQUIRE

23

ALSO PRESENT

24

SCOTT LEWIS

CAROL LEWIS

25

0143

1

2

3

AMY HABIE

4

BY MR. SCAROLA

5

CERTIFIED QUESTION

6

BY MR. SCAROLA

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Page 114, Line 8:

8

Q. Do you have any information from any

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source as to how much the business was worth at any  
 time in the past or is worth now?

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Florida area?

- (1) A. Up until my -- what period of time?  
(2) Q. Through the present, as best you're able  
(3) to do it  
(4) I'm going to ask you to relate them to me  
(5) in chronological order, so if you're trying to go  
(6) through them you could think out loud if you'd like  
(7) to  
(8) A. Sometime in either March or April I went  
(9) to New York for a hearing  
(10) Q. How long was that trip?  
(11) A. Less than twenty-four hours.  
(12) Q. Were you away from South Florida for a  
(13) twenty-four hour period during the work week?  
(14) A. I don't recall specifically the day of  
(15) the hearing. If it was a Monday hearing I would have  
(16) gone up on Sunday and come home Monday night.  
(17) Q. You missed at least one Nical business  
(18) day; is that correct?  
(19) A. I only missed one day.  
(20) Q. Okay. How about after that?  
(21) A. I went to Guatemala  
(22) Q. How many times?  
(23) A. Once.  
(24) Q. How long were you away?

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- (1) A. I went on a Saturday morning and I  
(2) returned on Sunday afternoon  
(3) Q. Okay. What else?  
(4) A. I went to California in May  
(5) Q. For how long?  
(6) A. Two business days.  
(7) Q. Okay. What else?  
(8) A. I went to the Olympics  
(9) Q. How long?  
(10) A. I left on Thursday night after work and  
(11) returned Monday night.  
(12) Q. What else?  
(13) A. I went to Toronto  
(14) Q. How long?  
(15) A. I left on a Thursday night and returned  
(16) on Sunday.  
(17) Q. Any other trips you're able to recall?  
(18) A. I went to Boston. I left on Thursday  
(19) night and I returned on Sunday night.  
(20) Q. Any others?  
(21) A. I went to Colorado for Thanksgiving, left  
(22) on Wednesday night and returned on Sunday  
(23) Q. Any other trips?  
(24) A. I went to San Francisco. I left on a  
(25) Saturday and returned on Wednesday or Thursday.

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- (1) Q. When was that San Francisco trip?  
(2) A. For my birthday in February  
(3) Q. This past month?  
(4) A. Hmm-mm  
(5) Q. Any other trips?  
(6) A. Not that I recall at the moment  
(7) Q. Except for the Colorado and San Francisco  
(8) trips, all of the other travel that you have  
(9) described occurred prior to the end of September of  
(10) 1996, correct, that is, between March of '86 and  
(11) September of '96?  
(12) A. I would have to have you read them back  
(13) to me  
(14) Q. New York, Guatemala, California, the  
(15) Olympics, Toronto and Boston.  
(16) A. That's correct  
(17) Q. Did you routinely conduct personal  
(18) business during office hours and on the premises of  
(19) Nical?  
(20) MR BOIES: Object to the form of the  
(21) question unless you define what you mean by  
(22) personal business  
(23) THE WITNESS: Please define what you mean  
(24) by personal business  
(25) BY MR SCAROLA

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- (1) Q. Doing things like setting up appointments  
(2) for massages and facials and manicures and pedicures  
(3) and pet psychologist appointments  
(4) A. On occasion I would set up an appointment  
(5) for a manicure or pedicure.  
(6) That takes maybe thirty seconds of my  
(7) time  
(8) Q. What about -- what about an appointment  
(9) for massages and facials?  
(10) A. It's all the same person.  
(11) Q. Okay. So you did all of those things  
(12) over the telephone at the office?  
(13) A. No, not necessarily  
(14) Q. Well, did you do those things on occasion  
(15) over the telephone at the office?  
(16) A. On occasion  
(17) Q. Did you also set up pet psychiatrist  
(18) appointments over the telephone at the office?  
(19) A. No  
(20) Q. Did you have employees of Nical routinely  
(21) take messages for you and deliver messages for you  
(22) relating to those activities?  
(23) MR BOIES: Object to the form of the  
(24) question unless you define what you mean by  
(25) routinely

Habre traveled  
to San Francisco  
(Rep Harman's  
checks were  
deposited at this  
time - Boies traveled  
with her) 5/1/96  
+ to Boston  
(Sen. Kennedy)

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THE WITNESS I don't understand you mean by routinely. I don't know what you're

(3) talking about by those activities

(4) BY MR. SCAROLA:

(5) Q. More than - more than twice a week

(6) where Nical employees were taking messages for you

(7) and relaying messages on your behalf involving

(8) massages, facials, manicures, pedicures and pet

(9) psychologists?

(10) A. First of all, I have no idea what you're

(11) talking about in terms of pet psychologist.

(12) Q. Okay. How about any of the others?

(13) A. As I said, it's one in the same person.

(14) If I talk to her once a week, that's 7 and it takes

(15) less than thirty seconds of my time

(16) Q. How much time did you spend on the

(17) telephone with your boyfriend during business hours

(18) at Nical?

(19) A. Would you like to define who my boyfriend

(20) was or is?

(21) Q. Who was your boyfriend during the period

(22) from March of 1996 through the end of September of

(23) '96?

(24) MR. BOIES: Don't answer that until I

(25) think about it for a second.

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(1) I will let you answer that question.

(2) THE WITNESS: I didn't have a boyfriend.

(3) BY MR. SCAROLA:

(4) Q. At anytime during that period.

(5) A. Please define boyfriend.

(6) Q. A male with whom you were engaged in a

(7) romantic relationship.

(8) A. I would not define anyone that I was

(9) seeing during that time period as a boyfriend.

(10) Q. How did you use the term boyfriend when

(11) you described some of those individuals about whom I

(12) questioned you earlier as boyfriend?

(13) A. First of all, you're mistating my

(14) previous answer. There was only one boyfriend with

(15) the exception of Jeff.

(16) I'm sorry. There were two. They were

(17) both long term relationships and they were with

(18) people that I was romantically involved with.

(19) Q. So you use that term as indicating men

(20) with whom you were romantically involved; is that

(21) correct?

(22) A. Yes.

(23) Q. And there was no one during the period

(24) from March of 1996 through September of 1996 with

(25) whom you were romantically involved; is that correct?

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(1) MR. BOIES: I know what has gone on long

(2) enough. I'm going to instruct her not to

(3) answer

(4) BY MR. SCAROLA:

(5) Q. Was Herman your boyfriend?

(6) MR. BOIES: Instruct her not to answer.

(7) You can ask her how long she spent

(8) talking to Herman if you want to but I'm going

(9) to instruct her not to answer anymore boyfriend

(10) questions

(11) BY MR. SCAROLA:

(12) Q. How long did you spend talking to Herman

(13) from the offices of Nical during business hours?

(14) A. It varied. He usually had business

(15) questions to ask me and many times I would not take

(16) his phone calls but I would keep the calls very

(17) short.

(18) Q. What were the parameters between which it

(19) varied?

(20) A. There were days he would call twice a day

(21) and there were weeks he wouldn't call at all.

(22) Q. What was the most amount of time that you

(23) ever spent talking to him over the telephone on any

(24) given occasion?

(25) A. I don't recall

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(1) Q. Do you have any estimate?

(2) A. No.

(3) Q. Can you estimate the longest period of

(4) time that you spent talking to him on the telephone

(5) during any given day?

(6) A. No.

(7) Q. Who are currently shareholders of Nical?

(8) as of today?

(9) A. I own 75% and 25% is owned by a Trust.

(10) Q. Who are the beneficiaries of the Trust

(11) as of this time?

(12) A. Mr. Boies' six children.

(13) Q. What is the total consideration you have

(14) been paid to date for that 25% interest?

(15) A. I believe it's a hundred thousand

(16) dollars.

(17) Q. Was there any other consideration agreed

(18) to be paid for that interest?

(19) A. I don't believe so.

(20) Q. When did you initially agree to sell 25%

(21) of Nical for a hundred thousand dollars?

(22) A. I don't recall specifically.

(23) Q. Was it before or after Nical purchased

(24) assets from Scott Lewis Gardening & Trimming, Inc.?

(25) A. I honestly don't recall specifically.

(Boies)  
He PAID \$100K for 25% interest in a

co. that cost \$300K + had

\$100K in working CAPITAL. SO HE GOT A

\$225,000 INTEREST FOR ONLY \$100K

✱

- Q. Did you, at the time that you agreed to sell a 25% interest in Nical for a hundred thousand dollars, know how much Nical was going to pay for the assets it was purchasing from Scott Lewis' Gardening & Trimming, Inc?
- A. I don't understand your question.
- Q. Did you know how much it was going to cost Nical in total to go into business by purchasing assets from Scott Lewis' Gardening & Trimming, Inc?
- A. Did I know when?
- Q. At the time that you agreed to sell the 25% interest in Nical for a hundred thousand dollars?
- A. Since I don't recall exactly when that was, I can't answer your question as you have stated it.
- Q. How was the hundred thousand dollar price decided upon?
- A. It was decided upon what had to be put down on the business and the working capital that was required.
- Q. So if the purchase price was decided based on how much you were going to have to pay then you must have known at the time that you agreed upon the price how much you were going to have to pay, right?

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- A. Not exactly as you have stated it.
- Q. It wasn't the purchase price. It was what had to be put down, plus the working capital.
- A. All right.
- Q. Because the business was supposed to have been self-sufficient and would have been self-sufficient had Mr. Lewis not interfered with it.
- Q. You knew at the time you set the hundred thousand dollar price for the 25% interest how much you were going to have to put down on the business, correct?
- A. Either how much I was going to have to put down or how much I had put down.
- Q. Okay. And you also had some additional idea with respect to further working capital that would be needed, correct?
- A. That was talked about from day one in the negotiations, so, yes.
- Q. Okay. What was your understanding of how much the business was going to cost you?
- MR. BOIES: Object to the form of the question unless you define what you mean by cost.
- THE WITNESS: Cost in terms of - please define cost.

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- BY MR. SCAROLA:
- Q. What the investment was going to be in the business.
- MR. BOIES: Objection to the form of the question.
- THE WITNESS: That the business was going to require 300,000 down minimum, and 75,000 in working capital, though I had wanted a cushion, so it was decided that it would be a hundred and that was what it was going to cost, that all of the expenses and all of the payments would come out of the revenues that were generated by the business.
- BY MR. SCAROLA:
- Q. So it was going to be a \$300,000.00 down payment and a hundred thousand dollars in working capital for a total of \$400,000.00 out-of-pocket, is that correct?
- A. That's correct.
- Q. And was there then going to be an indebtedness that you agreed to pay over and above the \$300,000.00 down?
- A. An indebtedness to whom?
- Q. To Mr. Lewis or Scott Lewis' Gardening & Trimming, Inc?

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- A. Yes.
- Q. How much was that?
- A. \$500,000.00.
- Q. Did the Trust ever agree to guarantee the payment of that \$500,000.00?
- A. In full, no.
- Q. Did the Trust ever guarantee any portion of that payment?
- A. Yes.
- Q. Do you have an opinion as to how much this business was worth at the time you purchased it?
- MR. BOIES: Objection, but the witness may answer.
- THE WITNESS: No.
- BY MR. SCAROLA:
- Q. Do you have an opinion as to how much this business was worth at anytime?
- MR. BOIES: Again, objection, but the witness can answer.
- THE WITNESS: I can't really give you an opinion because what I bought was based on the good will, the customer contracts, the employee relations, et cetera, all of which have been interfered with and have devaluated the business and it's hard for me to form an

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- opinion of what it's worth or what it was worth  
 (2) because Mr. Lewis assured me that none of this  
 (3) would have ever affected the business  
 (4) BY MR. SCAROLA  
 (5) Q. Do you have any information from any  
 (6) source as to how much the business was worth at any  
 (7) time in the past or is worth now?  
 (8) MR. BOIES: Objection, but the witness may  
 (9) answer, although the witness ought to exclude  
 (10) in her answer any information that comes from  
 (11) counsel developed for purposes of this  
 (12) litigation  
 (13) MR. SCAROLA: Certify that  
 (14) (Above question certified)  
 (15) BY MR. SCAROLA  
 (16) Q. But you can answer to the extent that  
 (17) your counsel's instruction permits you to answer  
 (18) A. I know what the business was valued at at  
 (19) the time of sale. That was by Mr. Lewis  
 (20) Q. Do you have any reason to question the  
 (21) value that Mr. Lewis placed on the business at the  
 (22) time of sale?  
 (23) A. Yes  
 (24) Q. Okay. What was the value Mr. Lewis  
 (25) placed on the business at the time of sale?

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- (1) A. \$800,000.00  
 (2) Q. At the time you purchased the business  
 (3) did you believe it to be worth \$800,000.00?  
 (4) A. I don't know.  
 (5) Q. You bought it for \$800,000.00, didn't  
 (6) you?  
 (7) A. Yes  
 (8) Q. If you didn't know whether it was worth  
 (9) \$800,000.00 or not at the time you purchased it, why  
 (10) did you agree to pay \$800,000.00 for it?  
 (11) MR. BOIES: Object to the form of the  
 (12) question.  
 (13) THE WITNESS: As I have previously  
 (14) stated, it's hard to put a value on it because  
 (15) that \$800,000.00 encompassed all of the good  
 (16) will, the customer relations, the employee  
 (17) relations, which I had believed to be there but  
 (18) due to Mr. Lewis were not and/or are not  
 (19) BY MR. SCAROLA:  
 (20) Q. Well, when you agreed to purchase the  
 (21) business in March of 1996, were all of those things  
 (22) there? Was the good will of the business there at  
 (23) the time?  
 (24) MR. BOIES: Object to the form of  
 (25) the question. It's not clear what you mean

- (1) Were they, there in fact or did she believe at  
 (2) the time that they were there?  
 (3) BY MR. SCAROLA  
 (4) Q. Well, I'll ask that question  
 (5) Did you believe that they were at there  
 (6) then?  
 (7) A. Yes. I trusted Mr. Lewis  
 (8) Q. Well, in fact you have conducted an  
 (9) independent investigation -  
 (10) A. I was -  
 (11) Q. - of the business?  
 (12) A. I wasn't done with my answer but -  
 (13) Q. You weren't done with your answer?  
 (14) A. No  
 (15) Q. Then please finish  
 (16) A. I trusted Mr. Lewis and his  
 (17) representations and really believed that I had bought  
 (18) something that would have been very good had he not  
 (19) interfered with it  
 (20) Q. You had expert consultants conduct an  
 (21) independent evaluation of this business on your  
 (22) behalf prior to agreeing to purchase it, did you not?  
 (23) A. I had an accountant do a due diligence.  
 (24) yes  
 (25) Q. What instructions did you give that

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- (1) accountant?  
 (2) A. To do the due diligence  
 (3) Q. Is that what you told him, I want you to  
 (4) do a due will diligence on this business?  
 (5) A. Yes  
 (6) Q. And did you select the accountant?  
 (7) A. Yes  
 (8) Q. Were any restrictions placed on the  
 (9) accountant's ability to perform the tasks assigned to  
 (10) him?  
 (11) A. I don't understand your question  
 (12) Q. Were there any restrictions that were  
 (13) placed on the accountant that would have prevented  
 (14) him from doing what you asked him to do?  
 (15) MR. BOIES: Object to the form of the  
 (16) question. That's the question she said she  
 (17) didn't understand  
 (18) THE WITNESS: I don't understand what  
 (19) you mean by restrictions  
 (20) BY MR. SCAROLA  
 (21) Q. Was he limited by time constraints  
 (22) imposed upon him? Was he denied access to  
 (23) information that he said he required in order to do  
 (24) his job? Was there any outside influence whatsoever  
 (25) that prevented him or deterred him in fulfilling the

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(to be typed on Nical of Palm Beach letterhead)

April 16, 1996

Frank Barron, Trustee  
UA DTD 6 26 90  
FBO ALEXANDER, CARYL, CHRISTOPHER,  
DAVID III, JONATHAN AND MARY BOIES  
WORLDWIDE PLAZA 825 EIGHTH AVENUE  
NEW YORK NY 10019-7475

Dear Mr. Barron:

This will confirm our receipt of \$100,000 wire transferred by the above identified Trust for the purpose of a fully diluted 25% interest in Nical of Palm Beach Inc. and the Scott Lewis Gardening and Trimming business which Nical operates.

Sincerely yours,

Amy Habie  
President, NICAL OF PALM BEACH I.